

Remarks of Senator Barack Obama –(as prepared for delivery)
A Secure Energy Future
Friday, July 11th, 2008
Dayton, Ohio

I've often said that the decisions we make in this election and in the next few years will set the course for the next generation. That is true of the wars in Iraq and Afghanistan. It's true of our economy. And it is especially true of our energy policy.

The urgency of this challenge is clear to anyone who's tried to fill up their tank with gas that's now over \$4 a gallon. It's clear to the legions of scientists who believe that we are nearing a point of no return when it comes to our global climate crisis. And with each passing day, it is clear that our addiction to fossil fuels is one of the most serious threats to our national security in the 21st century.

For the last eight years, this Administration has narrowly defined security as fighting an open-ended war in Iraq. But in the interconnected world of this new century, new threats come from stateless terrorists, loose nuclear weapons, the spread of pandemic disease, an inability to compete with rising powers in the global economy, the threat of global climate change and our dependence on foreign oil. I'll be talking about these threats next week and in the weeks to come, and today I'd like to begin with those related to energy.

We now know that the carbon emissions released by countries across the globe are warming our planet, which leads to devastating weather patterns, terrible storms, drought, and famine. In fact, studies show that by 2050, famine could displace more than 250 million people worldwide. That means people competing for food and water in the next fifty years in the very places that have known horrific violence in the last fifty: Africa, the Middle East, and South Asia. That is a threat to our security.

An even more immediate and direct security threat comes from our dependence on foreign oil. The price of a barrel of oil is now one of the most dangerous weapons in the world. Tyrants from Caracas to Tehran use it to prop up their regimes, intimidate the international community, and hold us hostage to a market that is subject to their whims. If Iran decided to shut down the petroleum-rich Strait of Hormuz tomorrow, they believe oil would skyrocket to \$300-a-barrel in minutes, a price that one speculator predicted would result in \$12-a-gallon gas. \$12 a gallon.

The nearly \$700 million a day we send to unstable or hostile nations also funds both sides of the war on terror, paying for everything from the madrassas that plant the seeds of terror in young minds to the bombs that go off in Baghdad and Kabul. Our oil addiction even presents a target for Osama bin Laden, who has told al Qaeda, "focus your operations on oil, since this will cause [the Americans] to die off on their own."

If we stay on our current course, the rapid growth of nations like China and India will rise about one-third by 2030. In that same year, Middle Eastern regimes will be sitting on

83% of our global oil reserves. Imagine that – the very source of energy that fuels nearly all of our transportation, controlled almost entirely by some of the world’s most unstable and undemocratic governments.

This is not the future I want for America. We are not a country that places our fate in the hands of dictators and tyrants – we are a nation that controls our own destiny. That’s who we are. That’s who we’ve always been. It’s what led us to wage a revolution that brought down an Empire. It’s why we built an Arsenal of Democracy to defeat Fascism, and stopped the spread of Communism with the power of our ideals. And it’s why we must end the tyranny of oil in our time.

This is a debate we’ve been having in this campaign, but it’s also an issue we’ve been talking about for decades. We have heard promises about energy independence from every single U.S. President since Richard Nixon. We’ve heard talk about curbing our use of fossil fuels in nearly every State of the Union address since the oil embargo 1973. Back then we imported about a third of our oil. Today we import over half.

Now, a few days ago, Senator McCain said, “Our dangerous dependence on foreign oil has been thirty years in the making, and was caused by the failure of politicians in Washington to think long-term about the future of the country.”

I couldn’t agree more. The only problem is that out of those thirty years, Senator McCain was in Washington for twenty-six of them. And in that time he has achieved little to help reduce our dependence on foreign oil. He’s voted against raising our fuel mileage standards and joined George Bush in opposing legislation twice in the last year that included tax credits for more efficient cars. He’s voted against alternative sources of energy. Against clean biofuels. Against solar power. Against wind power. Against an energy bill that represented the largest investment in renewable sources of energy in the history of this country.

So when he talks about the failure of politicians in Washington to do anything about our energy crisis, understand that Senator McCain has been a part of that failure. When he proposes policies that give \$4 billion in tax breaks to oil companies but only pennies a day to Americans struggling with high gas prices, understand that that’s not part of the solution in Washington, that’s part of the problem in Washington. When he offers a plan that doesn’t make any real investment in alternative sources of energy, that represents a failure to think long-term about our nation’s future. That’s what we’ve had in this country for too many years, and that’s why we need change in November.

I won’t pretend this change will be easy or that it will come without significant cost or some measure of sacrifice from the American people. Achieving energy independence is one of the greatest challenges we’ve ever faced, and it will be the great project of our generation. But I’ve seen that progress is possible.

When I arrived in the U.S. Senate, I worked with Democrats and Republicans to pass a law that will give more Americans the chance to fill up their cars with clean biofuels. I

also passed a law that will fuel the research needed to develop a car that could get up to 500 miles to the gallon. And I reached across the aisle to come up with a plan to raise the mileage standards in our cars for the first time in thirty years – a plan that won support from Democrats and Republicans who had never supported raising fuel standards before.

Today, with oil and gas prices this high, we hear a lot of plans and proposals coming out of Washington since politicians are finally paying attention. The problem is, they're reacting instead of acting. They're searching for easy answers to get them through the next election instead of serious, long-term solutions that will offer real relief and real security for America.

I understand the politics. In a country desperate for action, ideas like a gas tax holiday or expanded oil drilling in the waters off our coasts are popular. And I'll say this – if there were real evidence that these steps would actually provide real, immediate relief at the pump and advance the long-term goal of energy independence, of course I'd be open to them. But so far there isn't.

As good as they sound, the history of gas tax holidays is that the prices go up to fill in the gap, and the big winners end up being the retailers and oil companies – not the American people. That's what happened when we had a gas tax holiday in Illinois that I supported, and that's why we ended up repealing it. It didn't work. And it would also drain the federal highway fund of billions of dollars and cost hundreds of thousands of American jobs.

When it comes to offshore drilling, even Senator McCain has acknowledged that it won't provide short-term relief. In fact, if we started drilling today, we wouldn't see a drop of oil for seven years, and even then it would have little if any impact on prices.

Meanwhile, the oil companies currently have the rights to drill on 68 million acres of land and offshore areas that they haven't touched. I believe that before we give the oil companies any more land, it's time we tell them to start drilling on the land they already have or turn it over to someone who will, because we need that oil. We should also invest in the technology that can help us recover more oil from existing fields. And we should also look to our substantial natural gas reserves to tap a source of energy that's already powering buses and cars here and around the world.

In the long-term, however, we have to remember that these domestic resources are finite. Even if you opened up every square inch of our land and our coasts to drilling, America still has only 3% of the world's oil reserves. Senator McCain may believe otherwise, but that is not a real solution to our energy crisis.

What we need are real ideas to give hardworking Americans relief from high gas prices, and serious, long-term investments to permanently reduce our dependence on foreign oil. That's exactly what my plan does.

To provide immediate relief, I've proposed a second, \$50 billion stimulus package that would send energy rebate checks to every American. I've asked Senator McCain to join me in passing such a plan, and I extend that invitation again today. I've also proposed a \$1,000 middle-class tax cut that will go to 95% of all workers and their families. And I'll crack down on oil speculators who may be artificially driving up the price of oil. But to truly reduce our long-term dependence on foreign oil, my plan will fast-track \$150 billion of investment in a clean energy fund to help create the fuel-efficient cars and alternative sources of energy that will secure this nation and jumpstart a green economy. It's a plan that will reduce our oil consumption 10 million barrels per day by 2030, which is more than all the oil we're expected to import from OPEC nations in that same year.

First, we'll double our fuel mileage standards over the next two decades utilizing much of the technology we have on the shelf today – a step that will save this country half a trillion gallons of gasoline, the equivalent of cutting the price of a gallon of gas in half. And I will provide tax credits and loan guarantees for our automakers to help them make this transition.

Second, we'll launch a Venture Capital Fund that will provide \$50 billion over five years to get the most promising clean energy technologies out of the lab and into the marketplace. A principal focus of this fund will be continuing the work I began in the Senate and investing in plug-in hybrid batteries that will allow cars to get up to 500 miles per gallon. I'm glad that Senator McCain now understands the importance of this battery technology, but it will take a lot more than a cash prize to achieve this goal. It will take a serious investment.

Third, to create a market for alternative sources of energy like solar, wind, , I'll require that 25% of our electricity comes renewable sources by 2025, and that we produce two billion gallons of advanced cellulosic biofuels by 2013. We'll also invest in finding cleaner ways to use coal, our nation's most abundant energy source, and safer ways to use nuclear power and store nuclear waste.

Fourth, we'll use our clean energy fund to invest over \$1 billion a year to re-tool and modernize our factories and build the advanced technology cars, trucks and SUVs of the future – so that the jobs and industries of the future are created right here in the United States of America.

Finally, one of the fastest, easiest, and cheapest ways to conserve energy and use less oil is to make America more energy efficient and more competitive with the world. That's why, when I'm President, I will call on businesses, government, and the American people to make America 50% more energy efficient by 2030.

When all is said and done, my plan to invest \$150 billion in alternative energy will create entire new industries, thousands of new businesses, and up to five million new, green jobs that pay well and can't be outsourced. And we pay for all of it by taking away tax breaks for oil companies and putting a price on carbon pollution – a step that will also reduce our carbon emissions 80% by 2050.

Most importantly, this plan will ensure that we control the energy we use with resources and technology that are available today. The steps I just spoke about are not far-off, pie-in-the-sky solutions, they are now. Today, there are waiting lists for fuel-efficient cars. There's an old steel mill in Pennsylvania that has become the home of a new wind turbine factory. I've seen a small business in Nevada powered entirely by solar power. Across the planet, countries like Germany and the United Kingdom have already implemented clean energy policies that are reducing their carbon emissions right now, and leaders like Tony Blair and Angela Merkel have done a great job of raising the visibility of climate change within the G8. Now it's our turn to lead – to show that this future is possible for America.

In the last century, during the days that followed the attack on Pearl Harbor, the American people were asked, almost overnight, to transform a peacetime economy that was still climbing out from the depths of depression into an Arsenal of Democracy that could wage war across three continents.

Many doubted whether this could be achieved in time, or even at all. President Franklin Roosevelt's own advisors told him that his goals for wartime production were unrealistic and impossible to meet. But the President simply waved them off, saying, believe me, "the production people can do it if they really try."

The challenge we face from our energy dependence is great. Meeting it will take time, and it will not be easy. But if we're willing to work at it, and invest in it, and sacrifice for it; if we're willing to summon the same spirit of optimism and possibility that has defined this country's greatest progress, then I believe that we too will be able to do it if we really try. And I look forward to trying with you. Thank you.